

U.S. ECONOMIC BACKGROUND

Despite positive economic signs in the second quarter, unemployment (9.4%) reached lofty levels last seen in 1983 and the economy continued to undergo negative GDP growth. Leading economic indicators suggested the recession may be easing as the leading index had its best back-to-back monthly performance since 2001. As many consumers started to believe that the worst economic declines were over, consumer confidence reached its highest level since February 2008. The manufacturing economy continued to contract, though at a slower rate. Durable goods orders rose, signaling increased consumer spending on long term purchases. The U.S. economy already may have experienced a trough in housing starts as new home sales and construction spending are increasing. Notwithstanding these positive signs, 15 of the 372 metropolitan areas identified by the BLS have reached jobless levels of 15.0% or more and total employment ended the quarter at its lowest level since 2003. Further, GDP contracted at a seasonally adjusted annualized rate of 5.5%. In its June meeting, the FOMC held the Fed Funds rates at effectively 0.0%.

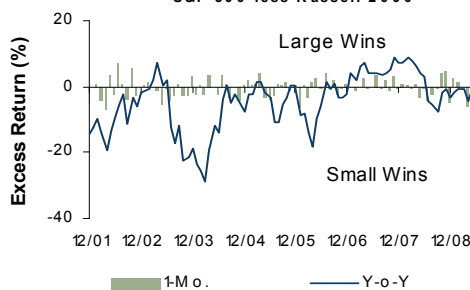
U.S. Equity Returns (%)

	1 Mo.	3 Mos.	12 Mos.
S&P 500	0.20	15.93	-26.21
S&P 400	0.62	18.75	-28.02
Russell 1000 Growth	1.12	16.32	-24.49
Russell 1000 Value	-0.74	16.69	-29.03
Russell 2000	1.47	20.68	-25.01
Russell 2000 Growth	3.24	23.37	-24.84
Russell 2000 Value	-0.32	17.97	-25.26
NASDAQ Composite	3.47	20.33	-19.13

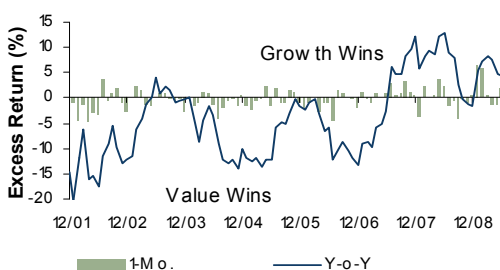
U.S. EQUITY MARKETS

- The equity markets rallied in the second quarter of 2009, bringing most of the broad market indices into positive territory on a year-to-date basis. Consensus attributed the rally to optimism that the recession was lessening. All major equity indices finished the quarter significantly higher than March end. The broad market indices were led by the NASDAQ Composite that grew 20.3% to finish the quarter at 1,835. The NYSE and AMEX composites followed and were up 19.7% and 16.8%, respectively. The S&P 500 lagged most of its broad market peers, gaining 15.9% and finishing the quarter at 919. The Dow Jones Industrial Average increased 12.0%, ending the quarter at 8,447. On a year-to-date basis, the Dow (-2.0%) is the only broad market index with negative performance.

Large Cap vs. Small Cap
S&P 500 less Russell 2000



Growth vs. Value
Rsl 1000 Gr less Rsl 1000 Val



S&P Sector Returns (%)

	1 Mo.	3 Mos.	12 Mos.
Financial	-2.10	35.70	-38.57
Utilities	5.55	10.18	-28.22
Energy	-4.60	10.70	-41.45
Industrials	-2.13	18.89	-34.57
Materials	-4.62	16.27	-38.88
Healthcare	2.65	8.88	-11.53
Consumer Staples	0.64	9.81	-10.26
Consumer Discretionary	0.55	18.14	-16.79
Information Tech	4.06	19.71	-18.34
Telecom Svcs	1.13	3.41	-19.30

- According to the Russell indices, the quarter showed mixed results within the market capitalization spectrum. The largest disparity between styles was among small caps, where small growth outperformed small value by 538 basis points (+23.4% vs. +18.0%). The competition was tightest among mid caps where value outperformed growth by 27 basis points (+20.9% vs. +20.7%) followed by large caps, where value outperformed its growth counterpart by 38 basis points (+16.7% vs. +16.3%).

- The quarter ended with significant gains across all market capitalization segments. The Russell Midcap Index led with 20.8%, the Russell 2000 Index was close behind with 20.7%, and the Russell 1000 Index trailed with 16.5%. On a year-to-date basis, the Russell Microcap Growth Index was the best performing domestic equity style (+18.5%). It was followed by the Russell Midcap Growth Index that gained 16.6%. On a year-to-date basis, the Russell 2000 Value Index (-5.2%) was the worst performing domestic equity style.

- All ten of the GICS sectors posted gains for the quarter. Sectors that added most to the performance of the S&P 500 included Financials (+35.7%), Information Technology (+19.7%), and Industrials (+18.9%). Sectors with the smallest contributions to positive performance included Health Care (+8.9%) and Consumer Staples (+9.8%). During the quarter, Financials stocks rallied as stress test results were better than expected, TARP money was repaid, and fears that the government would nationalize the banking system subsided. Large contributors to Financials performance included Wells Fargo (+70.7%), Bank of America (+93.7%), JP Morgan Chase (+28.6%), and Goldman Sachs (+39.4%). Top contributors to Information Technology included Microsoft (+30.2%), Apple (+35.5%), and Google (+21.1%), which rose as the outlook for the economy became less negative. Positive contributors to performance in Industrials included General Electric (+16.9%), which gained in anticipation of its quarterly earnings announcement. As investors sought more aggressive, economically sensitive stocks, the defensive sectors including Health Care and Consumer Staples lagged. Within Consumer Staples, Wal-Mart (-6.5%) lagged its peers as investors sought higher beta stocks.

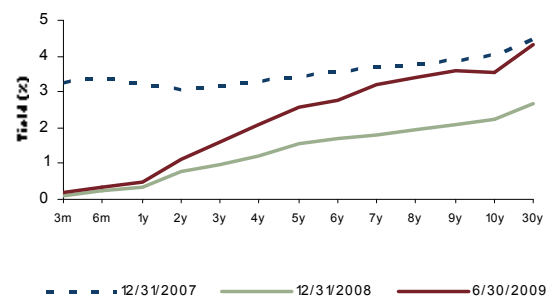
U.S. FIXED INCOME MARKETS

- Interest rates increased and the yield curve steepened in the second quarter. Investors shunned Treasuries in favor of riskier assets as the economy appeared to stabilize and the U.S. Treasury flooded the market with record new issuance of approximately \$360 billion. Yields on the 3-month Treasury remained largely unchanged at 0.20% while rates on the 30-year maturity rose 80 bps to 4.33% causing the yield curve to steepen by 81 bps to a slope of 413 bps. Yields on the 2-, 5-, 10-, and 30-year maturities increased by 31 bps, 90 bps, 87 bps, and 80 bps, respectively. Swap spreads tightened across the curve with the 30-year swap rate less than the yield on the long bond. Swap spreads on the 2-, 5-, 10-, and 30-year maturities were 42 bps, 41 bps, 25 bps, and -14 bps, respectively.
- The Barclays Capital Aggregate Index returned 1.78% (365 bps excess versus comparable Treasuries) buoyed by strong performance in spread sectors. Treasuries put in their worst performance in five years (-3.02%) on heavy supply and a reversal of safe haven flows. Credit returned 8.81% (1187 bps excess) experiencing its best performance in 24 years as economic prospects seemed to improve and investors engaged in bargain hunting. Financial issuers were the standout returning 14.67% (1717 bps excess return) as major banks, strengthened by government support, were able to raise additional capital in the private markets to meet their liquidity needs. Lower quality segments led with AAA, AA, A, and BBB-rated issues returning 0.20%, 5.52%, 9.09%, and 12.83%, respectively. U.S. Agencies returned -0.07% (132 bps excess) and the U.S. Government/Credit Index returned 1.85% (460 bps excess).
- Securitized sectors returned 1.68% (233 bps excess). Mortgage-Backed Securities (MBS) returned 0.70% (123 bps excess) as the government continued its buyback program, spending \$600 billion of the planned \$1.25 trillion through the second quarter. Asset-Backed Securities (ABS) returned 7.64% (875 bps excess) after TALF increased liquidity and confidence in the segment. Credit cards were the best performing component returning 9.43% (1080 bps excess) followed by auto (+8.73%, 865 bps excess) and home equity (+5.73%, 719 bps excess). Commercial Mortgage-Backed Securities (CMBS) returned 12.46% (1448 bps excess) as the government targeted this segment for its programs as well. In addition, Bank of America and Morgan Stanley announced plans to re-REMIC existing CMBS spurring a late quarter rally.
- The Merrill Lynch High Yield Master II Index had its best performance in 25 years (+23.19%) on an equity market rally, strong funds flows, and bargain hunting. New issuance was well received as companies used the increased liquidity to refinance or issue new debt. Lower quality outperformed higher quality with BB-, B-, and CCC (and lower)-rated issues returning 15.26%, 21.90%, and 41.27%, respectively. During the quarter, the yield on the Index declined by 565 bps to 13.08% and the option adjusted spread declined by 648 bps to 1,055 bps.
- The Barclays Capital Municipal Bond Index returned 2.11% for the quarter. Despite the end of the quarter sell-off caused by rising unemployment and decreasing tax revenues, municipal bonds were propped up by the Build American Bonds program and investors seeking to diversify away from Treasuries. Revenue bonds returned 3.20% followed by Insured (+1.71%), General Obligation (+0.94%), and Pre-refunded (+0.51%) bonds.
- U.S. TIPS returned 0.66% for the quarter as commodity prices increased and deflation fears subsided. The breakeven spread (the difference between the nominal Treasury and TIPS yield) increased by 46 bps on the 10-year maturity to 177 bps. The breakeven spread is a gauge of the market's expectation for future inflation.

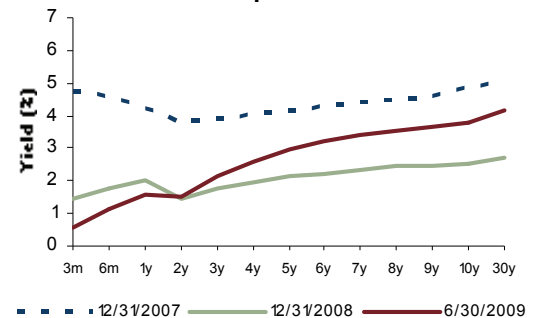
U.S. Fixed Income Returns (%)

	1 Mo.	3 Mos.	12 Mos.
BC Aggregate	0.57	1.78	6.05
BC US Government	-0.13	-2.21	6.63
BC US Credit	2.43	8.81	4.08
BC Mortgage Backed	0.12	0.70	9.38
BC Asset Backed	0.77	7.64	3.87
ML US HY Master II	3.18	23.19	-3.53

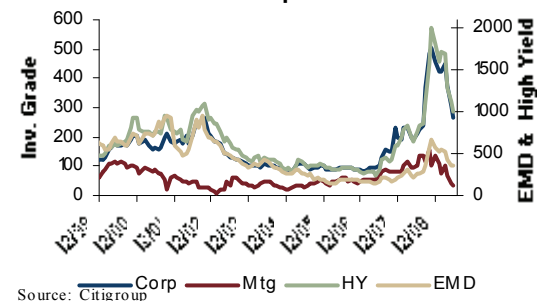
Treasury Yield Curve



Swap Curve



Sector Spreads



Source: Citigroup

NON-U.S. ECONOMIC BACKGROUND

The second quarter saw the renewed investor confidence of March carry over into April and May before tempering in June as equity markets outside the U.S. made significant gains. Economic data continued to paint an unclear picture on whether or not a global recovery is underway. First quarter GDP for most developed nations was significantly negative. Unemployment continued to increase in most developed economies, including the U.K., the eurozone, and Australia. Export activity, the lifeblood of many Asian economies, fell even further, although the rate of decline slowed. The price of oil rose significantly during the quarter, surpassing the \$70/barrel mark in June because of inventory stockpiling by nations such as China and investor speculation that demand will increase later this year. Positive signs were seen in improved manufacturing and industrial production data from the U.K., Germany, and Japan. The OECD revised its World Economic Outlook upward for the first time in two years by revising expected output for 2009 from -4.3% to -4.1%, indicating that the global recession is near a bottoming.

MSCI Non-U.S. Equity Returns (\$)

	1 Mo.	3 Mos.	12 Mos.
EAFE	-0.57	25.43	-31.35
AC World Free Ex-US	-1.07	27.94	-30.54
Japan	1.76	23.05	-23.12
Pacific Ex-Japan	2.79	31.93	-27.66
United Kingdom	-1.27	26.58	-34.21
Europe Ex-UK	-2.28	24.64	-34.69

NON-U.S. EQUITY MARKETS

- Developed markets outside the U.S. rose sharply during the second quarter, despite a slight pull back in June, with the MSCI EAFE Index gaining 25.4% in U.S. dollars and 16.9% in local currencies. The U.S. dollar fell versus most major currencies as investors sought riskier investments over the safety of U.S. Treasuries. The British pound gained throughout the quarter, particularly in May, closing at £1.65 at quarter end. The euro rose during late April and May before flattening out in June for a closing spot price of €1.40. The Japanese yen was volatile versus the U.S. dollar but closed the quarter stronger at ¥96.36. The Australian and Canadian dollars advanced against the U.S. dollar as rising oil prices helped propel the two currencies to AU\$0.81 and CA\$1.16 by quarter end.

- An increased appetite for risk led to the outperformance of small cap stocks over mid and large cap stocks. The MSCI EAFE Small Cap Index advanced 34.3% versus 27.7% and 25.0% for the MSCI EAFE Mid Cap and Large Cap indices, respectively. Year to date, small cap stocks have outperformed large caps by a three-fold margin (+21.4% versus +7.2%).

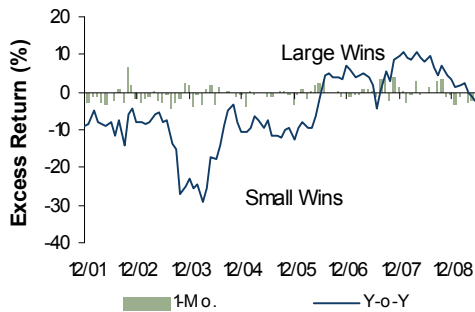
- A fierce rally in the Financials sector led value-oriented stocks to outperform growth-oriented stocks during the second quarter. The MSCI EAFE Value Index rose 29.8% versus 21.4% for the MSCI EAFE Growth Index.

- The Financials sector (+41.2%) was the star of the second quarter as investor risk aversion abated following encouraging results from the stress tests performed by the U.S. and U.K. central banks, as well as a return to profitability for several major financial institutions. The Materials (+32.6%) and Industrials (+27.6%) sectors also enjoyed a strong quarter as industrial production picked up from its bottoming in the first quarter, leading to an increased demand for raw materials. M&A activity in the Materials sector also contributed to performance as Rio Tinto backed out of its \$20bn deal with Chinaco and formed a joint venture with BHP Billiton. Traditionally defensive sectors such as Health Care (+11.6%), Telecomm Services (+14.0%), and Utilities (+15.2%) struggled as leadership rotated away from sectors that provided a safer haven during the previous two quarters.

- The European developed markets performed well in the second quarter as some economic indicators showed a deceleration in their rate of decline, helping the MSCI Europe Index gain 25.3% in U.S. dollars and 15.5% in local currencies. All countries rose by at least double-digits except Ireland (+6.6%) that is suffering from the deepest recession of any developed economy. The U.K. (+26.6%) was driven by strong performance from its Financials and Materials sectors as well as improving data related to the country's manufacturing and construction activity. Switzerland (+16.3%) was a laggard during the quarter as mega cap Health Care companies Novartis (+6.9%) and Roche Holdings (-1.1%) posted mixed first quarter results and fiscal year outlooks.

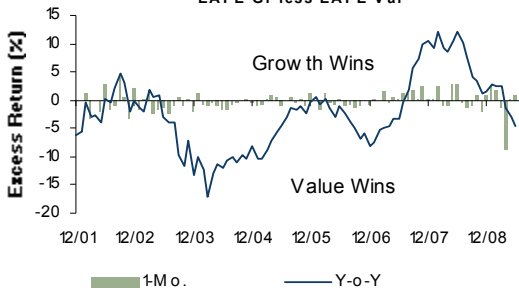
Large Cap vs. Small Cap

EAFE less EAFE Sml Cap



Growth vs. Value

EAFE Gr less EAFE Val



MSCI EAFE Sector Returns (\$)

	1 Mo.	3 Mos.	12 Mos.
Financial	-0.84	41.17	-36.56
Utilities	-1.76	15.21	-30.26
Energy	-4.91	17.98	-34.73
Industrials	-0.30	27.61	-33.08
Materials	-2.15	32.57	-44.33
Healthcare	0.89	11.56	-19.90
Consumer Staples	2.04	20.14	-17.86
Consumer Discretionary	-0.45	25.53	-23.88
Information Tech	0.27	21.77	-30.57
Telecom Svcs	3.26	13.97	-22.51

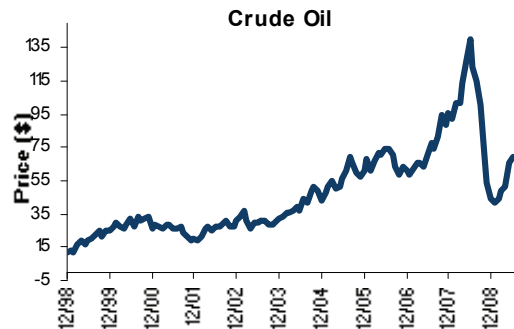
- Pacific region developed markets soared with each of the five constituent markets advancing at least 23% in the second quarter. The MSCI Pacific Index returned 25.7% in U.S dollars and 19.8% in local currencies. Japan (+23.1%) advanced on news of increased output from its manufacturing sector and lower-than-expected declines in exports. Hong Kong (+35.8%) and Singapore (+46.0%) were propelled by improved economic data and better-than-expected corporate earnings in the Financials sector. Australia (+28.4%) rose on the strength of its commodity-driven companies despite mixed economic data that showed worsening unemployment and an uncommon trade deficit for the country.

EMERGING EQUITY MARKETS

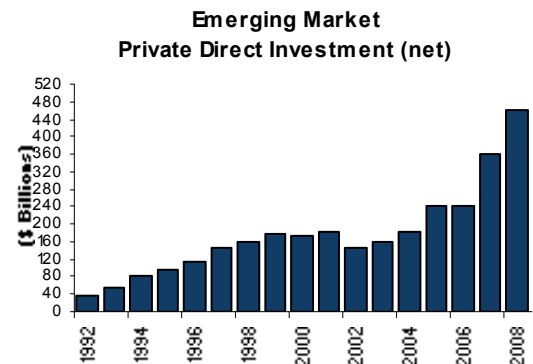
- The global emerging equity markets were a significant beneficiary of the increased risk appetite by investors as the MSCI Emerging Markets Index roared to a 34.8% gain in U.S. dollars and a 24.6% gain in local currencies. Financials and Consumer Discretionary stocks, particularly in Asia, led the way with impressive returns of 47% each on optimism that a global economic recovery is beginning to take hold. The commodity-driven Energy (+36.4%) and Materials (+35.9%) sectors also increased on heightened demand for resources and some speculation by investors. Similar to the developed markets, defensive sectors such as Health Care (+15.7%) and Telecomm Services (+23.0%) were laggards for the emerging markets.
- Asian emerging markets continued to be one of the focal points for investors seeking the few remaining pockets of economic growth as the MSCI EM Asia Index climbed 34.0% in U.S dollars and 28.7% in local currencies. India soared 59.8% following a landslide victory for the Congress party that is expected to pave the way for pro-economic legislation. Economic data from China (+35.8%) was mixed as first quarter GDP growth slowed to its lowest rate in over a decade, offset by increased industrial production and infrastructure spending. Taiwan (+25.0%) was a benefactor of improving economic relations with China, including the first-ever Chinese investment in a Taiwan-listed company, Far EastOne Communications.
- Economic activity picked up in the second quarter for the Latin American emerging markets, leading the MSCI EM Latin America Index to advance 38.6% in U.S. dollars and 21.4% in local currencies. Brazil (+41.0%) was the best performer with strong results across all sectors, not just commodity-price sensitive sectors. Mexico (+35.6%) showed growth notwithstanding concerns over slowing exports to the U.S. and the economic effects of the swine flu pandemic. Argentina was formally removed from the MSCI Emerging Markets Index at the end of May due to continued capital flows restrictions in the country's equity market.
- The European and Middle Eastern emerging markets showed solid performance during the quarter as the MSCI EM Europe & Middle East Index rose 34.3% in U.S. dollars and 24.0% in local currencies. The Turkish (+57.2%) and Hungarian (+69.7%) markets skyrocketed on optimism that loan packages from the IMF would help stabilize their economies. Despite June's significant market decline due to surfacing troubles in the manufacturing and banking sectors, Russia gained 37.7% during the quarter, mainly a result of the increase in global commodity prices.

MSCI Emerging Market Equity Returns (\$)

	1 Mo.	3 Mos.	12 Mos.
EM	-1.33	34.84	-27.82
Latin America	-2.22	38.60	-35.24
Asia	-0.27	34.00	-17.62
Europe & M. East	-6.12	34.30	-49.57
South Africa	1.21	31.33	-11.87



Source: Bloomberg; Linked spot month futures contract price

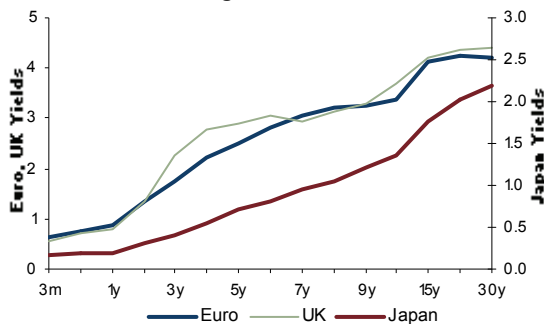


Source: IMF

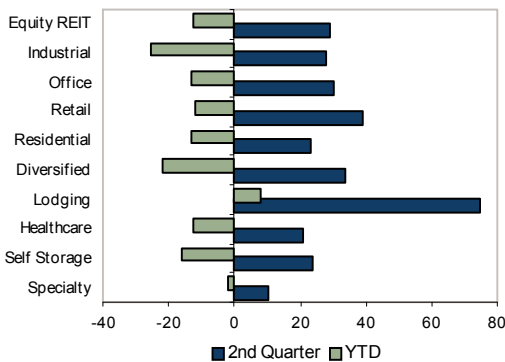
Global Fixed Income Returns (unhedged, \$)

	1 Mb.	3 Mbs.	12 Mbs.
WGBI	0.11	3.48	4.00
United States	-0.20	-3.03	6.48
Europe	0.68	7.25	-2.02
Japan	-0.19	2.71	13.56
United Kingdom	3.15	13.32	-6.23
World BIG Ex-US	0.33	6.47	1.77
WGBI Non-U.S.	0.20	5.44	3.53
Agencies Ex-US	-0.11	6.11	-1.01
Collateralized Ex-US	0.14	7.61	-2.92
Corporates Ex-US	1.70	12.64	-4.02
EMBI+	1.24	9.95	2.43

Foreign Yield Curves



REIT Sector Returns



Source: FTSE NAREIT (Data as of 6/30/09)

NON-U.S. FIXED INCOME MARKETS

- The Bank of England kept its benchmark rate unchanged at 0.5% and set its quantitative easing repurchase program at £125 billion. The 3-month rate on the U.K. yield curve declined by 8 basis points (bps) while the 30-year maturity increased by 23 bps causing the yield curve to steepen by 31 bps to a slope of 385 bps. Elsewhere, the European Central Bank cut interest rates by 50 bps to 1.0% amid deteriorating economic conditions and announced a quantitative easing plan totaling €60 billion. The European yield curve steepened by 48 bps to a slope of 355 bps as intermediate and long rates increased. The Bank of Japan kept its benchmark rate steady at 0.10%. The Japanese yield curve steepened by 23 bps to a slope of 202 bps with the 30-year JGB increasing by 15 bps to 2.19%.
- The Citigroup World Government Bond Index returned 3.48% for the quarter on an un-hedged USD basis. The reversal of safe haven buying of government bonds was offset by a decline in the U.S. dollar on concern over mounting debt levels. The U.S. dollar declined by 5.91% against the euro, 14.91% against the pound, and 2.63% against the yen. The United States was the worst performing market (-3.03%) while Euro-zone countries returned 6.29% on dollar weakness. The best performing countries for the quarter were the United Kingdom, Poland, and Australia returning 13.32%, 13.02%, and 11.97%, respectively.
- The J.P. Morgan EMBI+ Index returned 9.95% for the quarter as emerging markets rallied along with the rest of world equities. In particular, Argentina and Ukraine returned a spectacular 73.71% and 63.18%, respectively. The defeat of the ruling Argentinean party in mid-term elections, coupled with new loans from the IMF, contributed to the Argentinean bond rally; the Ukrainian bond market was supported by new IMF loans, lower than expected existing debt amounts, and subsiding political tensions with Russia over its gas lines.

REAL ESTATE (REITs)

- With the fall of Lehman Brothers in September 2008, the credit markets became extremely challenged, the recession deepened, and equity markets globally experienced a period of excessive volatility. U.S. REITs, in particular, declined roughly 60% (global REITs declined roughly 50%) for the trailing six-month period ending March 2009, and corrected nearly 70% since their February 2007 peak. However, in sharp contrast to the prior two quarters, U.S. REITs enjoyed record-breaking second quarter gains, up 28.5% (+35.5% on global basis) as measured by the FTSE/NAREIT Equity REIT Index. Performance for U.S. REITs, nonetheless, remains negative year to date (-12.2%). Successful recapitalizations helped fuel the rally as REITs were able to raise equity in the public markets to strengthen balance sheets and pay down debt, which was a major issue for investors over previous quarters. The massive stimulus programs and other policy measures put forth by governments around the world also appear to have added to overall investor confidence.
- The U.S. REIT market had its best quarterly performance since the inception of the Index, primarily the result of April (+31.0%); May (+2.2%) and June (-3.7%) were much less volatile. Retail proved to be the best performing major sub-sector during the quarter, generating a strong 38.8% total return; only the Hotel/Lodging sub-sector (+74.6%) was better. Despite the impact of the global recession on the Financial sector, Office performed well both on an absolute and relative basis, up 30.1% for the quarter. Residential (+22.9%) and Industrial (+28.2%) performed strong on an absolute basis, but were the only major sub-sectors to fall short of the broader Index return.

REAL ESTATE (REITs) continued

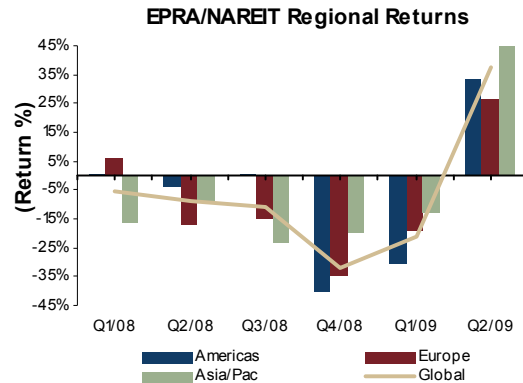
- Global REITs, as represented by the FTSE/EPRA NAREIT Global Real Estate Index (in USD) also produced its best quarterly performance to date, up 37.2%. Asia/Pacific (+45.2%) led performance globally, largely driven by China (+70%), and was the only region to outpace the Index. The Americas posted a 33.4% total return, while Europe gained 26.7% during the quarter. Some of the outperformance in Asia, and particularly in China, can be attributed to a quicker reaction to government stimulus, some of which was focused specifically on the real estate sector. In addition, Asian REITs have fewer debt-related concerns compared to their counterparts in North America and Europe.
- Global REIT valuation metrics have moved closer to their long-term trends than was the case earlier in the year, but appear to continue to trade at modest discounts to underlying NAV. These discounts have tightened from levels experienced earlier in the year due to aggressive re-valuing (downward) of the direct property market and the significant upside experienced by REITs this past quarter. Implied capitalization rates of REITs have compressed modestly off the highs exhibited at the beginning of the year, but are still well above underlying property transaction levels (which likely are artificially low). After spiking over the last two quarters, dividend yields have also trended down closer to long-term averages across each region.
- Over the past few quarters, volatility has been extremely high and may remain elevated over the near term as market fundamentals remain uncertain. However, as REITs were recently successful in raising equity, this should help to moderate some of the uncertainty surrounding the viability of specific entities. In addition, stronger companies may be able to capitalize on opportunities in the market.

MUTUAL FUNDS

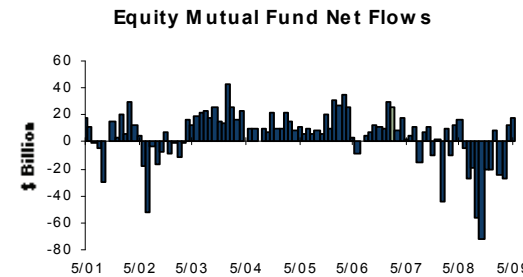
- The total assets of U.S. mutual funds increased by \$825.1 billion, to \$10.07 trillion, in April and May of 2009. Stock funds posted a net inflow of \$30.2 billion. Among stock funds, world equity funds (U.S. funds that invest primarily overseas) posted an inflow of \$6.8 billion and domestic funds had an inflow of \$23.5 billion. Hybrid funds experienced inflows of \$4.9 billion, and taxable bond funds had inflows of \$48.5 billion. Municipal bond funds added \$11.6 billion, while money market funds had an outflow of \$49.0 billion.

EXCHANGE TRADED FUNDS

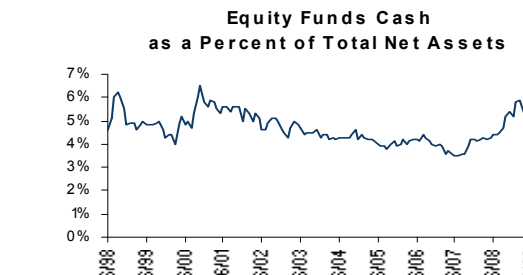
- Total assets for exchange-traded funds (ETFs) were \$581.9 billion in May, according to the Investment Company Institute. At the end of May, there were 712 ETFs: 422 domestic equity (\$354 billion), 208 global/international equity (\$149 billion), 6 hybrid (\$146 million), and 76 bond funds (\$79 billion). Assets of all ETFs rose in April and May 2009 by \$99.9 billion. Investors added nearly \$46.5 billion to domestic equity and \$43.9 billion to global/international equity. Over the past 12 months ending May, ETF assets decreased by \$28.4 billion, or 4.7%.



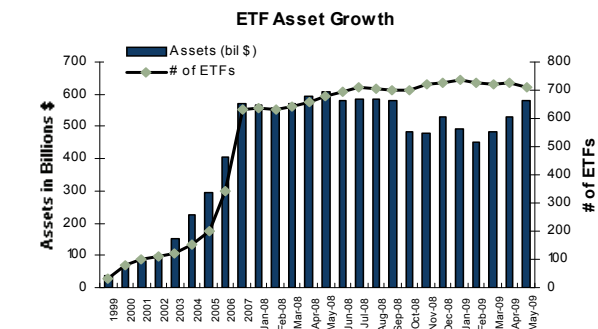
Source: FTSE EPRA/NAREIT (Data as of 6/30/09)



Source: Investment Company Institute



Source: Investment Company Institute



Source: Investment Company Institute

Sources: Barclays Capital, J.P. Morgan, Standard & Poor's, Morgan Stanley Capital International, Merrill Lynch, Bloomberg, Frank Russell Company, Salomon Smith Barney, NASDAQ, IMF, NAREIT, EPRA/NAREIT, Investment Company Institute.

STATISTICAL SUMMARY

As of June 30, 2009

EQUITY MARKETS

US Markets	Total Return		
	Month	3 Mos	YTD
S&P 500	0.20	15.93	3.16
S&P 500/CG Growth	0.82	14.60	7.52
S&P 500/CG Value	-0.50	17.51	-1.41
S&P 400	0.62	18.75	8.47
Russell 1000	0.24	16.49	4.31
Russell 1000 Growth	1.12	16.32	11.54
Russell 1000 Value	-0.74	16.69	-2.87
Russell 2000	1.47	20.68	2.65
Russell 2000 Growth	3.24	23.37	11.36
Russell 2000 Value	-0.32	17.97	-5.19
NASDAQ Composite	3.47	20.33	16.98

Sources: Standard & Poor's, Frank Russell Company, Bloomberg

S&P 500 Sectors	Total Return		
	Month	3 Mos	YTD
Financial	-2.10	35.70	-3.42
Utilities	5.55	10.18	-1.72
Energy	-4.60	10.70	-2.11
Industrials	-2.13	18.89	-5.93
Materials	-4.62	16.27	13.89
Healthcare	2.65	8.88	0.17
Consumer Staples	0.64	9.81	-1.77
Consumer Discretionary	0.55	18.14	8.58
Information Technology	4.06	19.71	24.87
Telecommunication Svcs	1.13	3.41	-3.97

Non-US Markets	Total Return		
	Month	3 Mos	YTD
EAFE	-0.57	25.43	7.95
EAFE Growth	-0.12	21.43	6.34
EAFE Value	-1.01	29.75	9.60
AC World Free Ex-US	-1.07	27.94	14.35
Japan	1.76	23.05	2.59
Pacific Ex-Japan	2.79	31.93	29.01
United Kingdom	-1.27	26.58	13.04
Europe Ex-UK	-2.28	24.64	4.39
Emerging Markets	-1.33	34.84	36.22

Sources: MSCI, Bloomberg

MSCI EAFE Sectors	Total Return		
	Month	3 Mos	YTD
Financials	-0.84	41.17	13.15
Utilities	-1.76	15.21	-8.65
Energy	-4.91	17.98	10.75
Industrials	-0.30	27.61	8.55
Materials	-2.15	32.57	25.22
Healthcare	0.89	11.56	-5.22
Consumer Staples	2.04	20.14	4.54
Consumer Discretionary	-0.45	25.53	15.45
Information Technology	0.27	21.77	9.23
Telecommunication Svcs	3.26	13.97	-3.66

FIXED INCOME MARKETS

Key Rates	U. S. Yields		
	4/30/2009	5/31/2009	6/30/2009
Overnight	0.00	0.00	0.00
3- Month	0.14	0.14	0.20
2- Year	0.91	0.92	1.12
5- Year	2.01	2.34	2.56
10-Year	3.12	3.46	3.54

Sources: Merrill Lynch; Bloomberg Financial Markets

Euro	Japan	U.K.
1.00	0.10	0.50
0.65	0.16	0.55
1.37	0.32	1.33
2.49	0.73	2.88
3.39	1.36	3.69

Sectors	Total Return %		
	Month	3 Mos	YTD
BC Universal	0.76	2.94	3.35
BC Aggregate	0.57	1.78	1.90
BC U.S. Government	-0.13	-2.21	-3.17
BC U.S. Credit	2.43	8.81	6.87
BC Mortgage Backed	0.12	0.70	2.91
BC Municipal Bond	-0.94	2.11	6.43
BC U.S. TIPS	0.46	0.66	6.21
ML US HY Master II	3.18	23.19	29.37

Sources: Barclays Capital, SSB/Citi

Mod.Adj. Duration	Weighting Basis	
	Duration	MktVal
4.32	--	--
4.30	100.00%	100.00%
4.70	38.61%	35.27%
5.99	31.83%	22.83%
2.95	26.15%	38.09%
8.40	--	--
4.21	--	--
4.26	--	--

Markets/Regions	U.S. Dollars %		
	Month	3 Mos	YTD
United States	-0.20	-3.03	-4.42
WGBI	0.11	3.48	-1.50
WGBI Non-US	0.20	5.44	-0.61
EMBI+	1.24	9.95	12.71
EMLI+ (local currency index)	1.08	10.17	5.82
Euro Zone	0.33	6.29	2.33
United Kingdom	3.15	13.32	12.02
Japan	-0.19	2.71	-6.36

Sources: Barclays Capital, Citigroup, JP Morgan, Bloomberg Financial Markets

Local Currency %	Local Currency %		
	Month	3 Mos	YTD
--	--	--	
0.78	-0.52	-0.77	
1.05	0.22	0.27	
--	--	--	
0.44	1.61	4.02	
1.25	0.61	1.41	
1.00	-1.38	-2.20	
0.89	0.34	-0.33	

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